

DEPARTMENT OF COMMERCE

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

A. H. BALDWIN, Chief

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SOUTH AMERICAN TRADE IN CANNED GOODS

By

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LETTER OF SUBMITTAL.

DEPARTMENT OF COMMERCE,
BUREAU OF FOREIGN AND DOMESTIC COMMERCE,
Washington, July 18, 1914.

SIR: There is submitted herewith a report by Commercial Agent E. A. Thayer on the South American trade in canned goods. The report may be considered as supplementary to the monograph "Foreign Trade in Canned Goods," published as Special Consular Reports No. 54.

Respectfully,

A. H. BALDWIN,
Chief of Bureau.

To Hon. WILLIAM C. REDFIELD,
Secretary of Commerce.

SOUTH AMERICAN TRADE IN CANNED GOODS.

INTRODUCTION.

Annual imports of canned goods in South America amount to about \$14,000,000 (not including Brazil), of which the United States supplies about 18 per cent. The only countries in South America doing a canning business of any importance are Argentina, Chile, and Uruguay.

Argentina cans large and increasing quantities of meats and fruits. No extensive canning of vegetables is done at present, but this industry will grow. Chile cans fruits, vegetables, shellfish, fish, and milk. In 1911 condensed milk was produced valued at \$200,750, and other canned goods valued at over \$3,000,000. Uruguay cans meat regularly, but the canning of fruits and pickles is carried on only in the years when surplus crops of fresh fruits and vegetables are not consumed.

Argentina, Uruguay, and Ecuador have pure-food laws national in effect. Most of the other countries have local ordinances governing the inspection of food products in the principal municipalities.

The heaviest exports of canned goods from the United States to South America consisted in 1912 of salmon \$609,383, oysters and other shell-fish \$249,283, butter \$157,702, meats \$139,103 (a loss compared with 1911 of 24 per cent), and fruits \$102,044.

The greatest opportunities for increased trade lie in condensed milk, of which the United States supplied \$40,031 in 1912; vegetables, of which the United States supplied \$58,530; and canned fish, aside from salmon and shellfish, of which the United States supplied \$36,718, and in which there has been a marked decrease in American imports in the past two years. There should also be an opportunity for increased trade in fruits, jams, marmalades, pickles, and sauces, except possibly in Argentina and Chile.

No great increases in exports from the United States to South America of sardines and other fish may be looked for unless the quality of the product can be improved and the tastes of the South Americans considered for fish put down in sauces. The consumption in this line is very large and worthy of study by fish canners.

Fault is found with condensed milk produced in the United States on the score of appearance, lumpiness, and spoilage; condensed milk of the first quality is furnished more cheaply by Great Britain and Switzerland. Unsweetened milk is making some progress where known, but further progress will depend largely on missionary work and propaganda.

Canned corn, succotash, and beans are practically unknown in South America, and the only way trade can be built up is through a regular campaign over a considerable period of time.

To compete in jams, marmalades, pickles, and sauces, prices must be lower for the same quality of goods to meet the competition of Great Britain and France. Tastes of long standing would also have to be changed.

Attention is drawn to the necessity of having trade-marks and trade names registered in the different countries of South America. This matter should be attended to before any goods are sold, or at least before any goods are shipped.

Attention is called to Special Consular Reports No. 54, entitled "Foreign Trade in Canned Goods," issued by the Bureau of Foreign and Domestic Commerce. Copies of pure-food laws and regulations are on file in this Bureau.

ARGENTINA.

The total imports of canned goods and olive oil in 1911 amounted to \$6,771,504, of which the United States furnished \$275,382 worth. Nearly one-half of the total imports was olive oil, of which the United States supplied \$122,649 worth. The United States made a gain over 1910 of 35 per cent, and yet supplied only 4 per cent of the total imports of canned goods and olive oil. Practically all the gain was in canned meats and olive oil.

The principal losses as compared with 1910 were in canned oysters and canned fruits. The imports of canned oysters from the United States in 1910 amounted to \$40,256 and in 1911 to \$32,100, and the imports of fruits in juice, in sirup, or crystallized, were \$12,918 in 1910 and \$2,296 in 1911.

Some of the other imports and the countries that supplied them follow: Condensed milk, \$98,463, of which Switzerland supplied \$79,560 and the United States \$33; fish, \$516,902, furnished by Italy, Spain, France, Great Britain, and the United States in the order named, the United States supplying \$61,538; sardines, \$1,104,898, of which amount Spain supplied \$853,760 and the United States \$16; olives in brine, \$101,166, of which Spain supplied \$99,835; fruit in brandy, liquors, natural, or in water, \$76,509, mainly from Italy, Great Britain, and France, the United States supplying \$4,969; pickles in glass, \$44,869, of which \$41,954 worth came from Great Britain and \$639 worth from the United States; pickles in tin or barrels, \$6,346, of which \$5,890 worth were from Italy and \$5 from the United States; mushrooms in tin, \$115,578, furnished mainly by Italy and France, with \$482 from the United States; tomato paste, \$727,452, of which Italy supplied \$702,504 and the United States \$892; canned soups, \$16,297, of which France supplied over one-half and the United States \$201 worth; canned vegetables, \$392,769, supplied chiefly by Belgium, France, Italy, and Spain, the United States furnishing \$2,678 worth; olive oil, \$3,363,026, of which amount Italy and Spain supplied over \$3,000,000 worth and the United States \$122,649 worth; and of fruits in juice, in sirup, or crystallized, \$60,213, supplied principally by France and Great Britain.

The United States supplied about one-half of the total imports of canned meats in 1911, but fresh meat is plentiful and reasonable in price, though much higher than formerly, and in addition to this Argentina consumes some 300,000 kilos of canned meats of its own production. Then, too, canned fish is more favored than canned meats.

MEAT-CANNING INDUSTRY.

There are 17 meat-canning factories in Argentina, and their product will average as good as the American article and retails for 35 to 50 per cent less. (See report on meat canning in Argentina in Special

Consular Reports No. 54, page 131.) The refrigerating plants can only the meats that they can not refrigerate and ship, owing to poor appearance, bruising, etc., while the jerked-meat plants usually can tongues and oxtails. The factories are finding difficulty in securing animals to slaughter and the price of beef on the hoof is nearly 50 per cent higher than a year ago. Argentina is passing from the pastoral to the agricultural stage and the number of cattle is decreasing. The refrigerating plants formerly killed no cattle under 5 or 6 years of age, but now it is difficult to find cattle over 3 years of age.

The production of canned meats by the factories in 1912 was as follows:

Articles.	Exported.	Domes- tic sale.	Articles.	Exported.	Domes- tic sale.
	<i>Cans.</i>	<i>Cans.</i>		<i>Cans.</i>	<i>Cans.</i>
Ox tongues.....	127,816	104,504	Corned beef—Continued.		
Mutton.....	43,664	347,563	6-pound cans.....	3,736,214	15,063
Boiled beef, 6-pound cans.....	67,684	9,802	½-pound cans.....	21,216	.....
Boiled mutton:			14-pound cans.....	27,144	.....
6-pound cans.....	185,552	26,299	Corned mutton, 6-pound cans .	10,808	240
3-pound cans.....	12,120	.....	Ox cheek.....	6,334	22,626
2-pound cans.....	11,280	.....	Ox tails.....	.....	428
Corned beef:			Roast beef, 2-pound cans.....	22,080	305
1-pound cans.....	3,575,652	20,326	Brisket beef, 2-pound cans.....	.....	24
2-pound cans.....	69,122	11,647	Deviled ham.....	.....	6
			Potted tongue.....	.....	8,382

The tin used is of good quality. Great Britain supplies more than all other countries. The sheets are usually 14 inches by 28 inches, and the gauge runs from 25 to 29 Brown & Sharpe, according to size of can. What is known as "Two Cross" tin is used for the large cans, and "I. C." grade tin for the smaller cans. The only restriction regarding solder is that no acid may be used in soldering.

Butchers and boners in the factories receive from 20 to 25 cents American currency per hour, women and girls from 10 to 12½ cents per hour, boys from 8 to 12½ cents per hour, and men from 12½ to 25 cents per hour. The working day is from 8 to 10 hours.

The imports of canned meats from the United States are largely made up of canned pork, amounting in 1911 to \$20,187 and in 1912 to \$44,683, American currency. The sale of imported canned meats will be limited for many years to come, partly on account of home production and partly because the class of people who can afford to purchase imported goods is relatively small.

VARIOUS IMPORTS.

Very small amounts of American condensed milk have been imported in the past, and in 1912 none was imported from the United States. The importers claim that they can not sell it, and the principal objection is that it is not pleasing in color and becomes thick and lumpy, very often discoloring. The unsweetened varieties and evaporated cream were not known, and in these there should be some opportunity to do business.

The imports of canned fish from the United States are mainly salmon and shrimps, and in 1912 the United States supplied \$89,468 worth of salmon and \$31,788 American currency worth of shellfish, excluding oysters. Last year, 1912, the importers overstocked on salmon, and in March, 1913, they reported a surplus of 18,000 cases,

mostly pinks, and some of them were offering salmon at a dead loss of \$1 American gold per case to unload. The retailers stocked their windows with salmon, and the price kept coming down until on April 1, 1913, it was 60 cents Argentine currency (57.88 cents American) per can, or 40 per cent lower than the normal price. There is some English salmon sold, but the bulk of it is American, and the importers believe that when they have disposed of the surplus on hand they can handle a better grade than the pink. Some importers favor the tall can and claim that they have less swellage than with the flat cans; others claim that the appearance of the flat can makes it a better seller. The tall can for salmon is better from a practical standpoint.

The statement of a customhouse broker showing the cost of a shipment of salmon after arrival in Argentina is given herewith: One hundred and twenty-five cases of salmon, weight 3,400 kilos; 2 per cent, or 68 kilos, allowed for decomposition, net 3,332 kilos; valued by the customhouse at 35 cents Argentine gold per kilo, or \$1,166.20; duty 20 cents Argentine per kilo, or \$666.40; statistical tax of \$2 Argentine per thousand of valuation, \$2.40; additional 2 per cent ad valorem tax, \$23.32; warehouse and slingage charge, \$12; liftage, \$1.40; total in Argentine gold \$705.52, or \$1,603.45 Argentine paper; then, stamped paper, \$3.50 Argentine paper; withdrawal certificate, \$4; cartage to store, \$10; and customhouse broker's commission, \$25; total in Argentine paper, \$1,645.95, or \$698.87 American currency; that is, just double cost, insurance, and freight to Buenos Aires.

Canned herring have a small but steady sale, and are imported from Great Britain; Morton's wholesale for \$18.24 American currency per case of 48 cans and Smith's for \$16.31 American currency per case of 48 cans. Lobsters also come almost entirely from Great Britain, and Morton's wholesale for \$8.11 per dozen whole jars and for \$4.25 per dozen half jars. Canned shrimp are imported from the United States and wholesale in whole tins for \$3.47 per dozen and in half tins for \$1.78 per dozen. Oysters also come from the United States and wholesale for \$7.14 per case of 48 tins.

The people in Argentina are fond of canned fish and sardines put down in sauces. In buying these they usually look for fish from the Mediterranean as an article with which they are familiar. At the same time, as their imports of fish and sardines amount to more than a million and a half dollars annually, it would be worth while to study the tastes of the people.

In addition to the imported olives, Mendoza in Argentina has an ever-increasing yearly production for which the demand exceeds the supply. The taste in olives does not run to the large and expensive varieties. The small Spanish olive rich in oil and flavor is the favorite. The major portion of the olives come in barrels and casks put down in brine.

In 1912 the exports of canned fruits from the United States to Argentina amounted to \$47,376 American currency, or an increase of over 500 per cent as compared with 1911, and the importers found themselves overstocked with some 10,000 cases of fruit, in addition to which the retailers are all well stocked and there seems to be no way to relieve the situation.

The retail price of a 2½-pound can of first-class imported fruit is 68 cents American currency. The price of first-class California fruit

f. o. b. San Francisco, per dozen 2½-pound cans is, for peaches \$1.70 American currency, for pears \$1.85, for apricots \$1.60, and for white cherries \$2.25.

COST OF IMPORTING CANNED FRUIT.

In order to give some idea of the cost of importing canned fruits from the United States, and the difference in cost between “fruits in sirup,” “fruits in their own juice,” and “dried fruits,” the following data taken directly from the books of an importer in Buenos Aires are given:

2,000 cases of peaches in sirup, 2 dozen 2½-pound cans to the case, at \$1.70 per dozen, American currency, f. o. b. San Francisco.....	U. S. currency.	\$6,800. 00
Strapping, at 5 cents per case.....		100. 00
Freight to Montevideo, at \$12 per 40 cubic feet, via Cape Horn.....		700. 00
Consular fees, documents, and insurance.....		113. 00
Commission to New York agent, 2½ per cent.....		170. 00
Interest on money invested until arrival of goods, 1½ per cent.....		102. 00
C. i. f. Montevideo.....		7,985. 00
	Uruguayan currency.	
Lighterage, handling, etc., Montevideo.....		\$241. 75
Stamps, documents, etc.....		12. 50
Freight, Montevideo to Buenos Aires.....		360. 00
Commission to Uruguayan agent.....		80. 00
Converted to American currency, at \$1.034.....	694. 25=	717. 85
C. i. f. Buenos Aires.....		8,702. 85
2,000 cases weigh 50,720 kilos, on which the customhouse valuation is 45 cents Argentine gold per kilo=\$22,824. The specific duty is 25 cents Argentine gold per kilo.....	Argentine currency.	\$12,680. 00
Additional 2 per cent on valuation of \$22,824.....		456. 48
Hoisting.....		20. 30
Slingage.....		34. 50
Warehousing.....		116. 44
Statistical tax, \$2 per thousand.....		45. 80
Converted to American currency, at \$0.965.....	13,353. 52=	12,886. 15
Stamped paper.....		\$16. 50
Commission to customhouse broker.....		150. 00
Cartage and handling to importer's.....		1,500. 00
Converted to American currency, at \$0.4246.....	1,666. 50=	707. 60
		22,296. 00

To show the variation in the application of the tariff, etc., another example is given to cover a shipment of “peaches in their own juice.” They are the same brand and grade of peaches as the above, but so classified by the customhouse.

1,000 cases of peaches in natural juice, 2 dozen 2½-pound cans to the case; 1,000 cases weigh 23,000 kilos, on which the customhouse valuation is 30 cents Argentine gold per kilo=\$8,400; a loss of 3 per cent has been allowed and the valuation is therefore \$8,148. The specific duty is 15 cents per kilo; the duty amounts to \$4,200 less loss of 3 per cent, \$126.....	Argentine gold.	\$4,074. 00
2 per cent additional on valuation.....		162. 96
Hoisting.....		14. 00
Warehousing.....		8. 52
Slingage.....		17. 04
Statistical tax, \$2 per thousand.....		16. 40

	Argentine paper.
Stamped paper.....	\$6. 50
Cartage and handling.....	750. 00
Commission to customhouse broker.....	75. 00
Converted to Argentine gold at \$0.44.....	831. 50= \$365. 86
Converted to American currency at \$0.965.....	4, 658. 78
American currency, cost after reaching Buenos Aires.....	4, 496. 72
C. i. f. Buenos Aires, from San Francisco.....	4, 351. 43
Total.....	8, 848. 15

In the first case cited the cost per case ready to sell in Buenos Aires was \$11.15 American currency, and in the second case \$8.85. In the first instance the cost per case after the goods arrived in Buenos Aires was \$6.80, or just 200 per cent on the original cost of the goods f. o. b. San Francisco, and in the second instance the cost per case after arrival in Buenos Aires was \$4.50.

Naturally under the lower classification more business could be done, or if some standard could be set by the Argentine Government fixing the amount of sugar content to be allowed under the classification of "Fruits in their own juice" the difficulty would be solved. Under the present system the appraiser receives one-half of the fines imposed, and the fine for false classification may be as high as \$424.60 American currency. The canned fruit imported from Spain and fruit in glass carries a plainly visible label in Spanish, such as "Duraznos en su jugo" (peaches in their own juice). The word "melacotones" is not used for peaches in Argentina nor "peras al natural" (natural pears); on the other hand, the Spanish expression for peaches in sirup would be "duraznos en almibar."

Even under the lower classification, imported canned fruits can not enjoy a large general sale. They could not be retailed for less than 50 cents American currency per can, while the native canned peach retails for 25 cents American currency per can.

FRUIT CANNING IN MENDOZA.

There are over 250,000 bearing fruit trees in the Province of Mendoza, Argentina. Over half of these are peach trees and the remainder is made up of pears, plums, cherries, apricots, figs, olives, and English walnuts. The apple grows only in certain parts of Mendoza. The new trees that will be in bearing within five years will bring the total number up to several million.

The climate is very much like the climate of the fruit-producing sections of California, and it is interesting to note that some of the earliest plantings of fruit trees in California were made from Mendoza stock carried there by Mendocinos attracted to that State by the rush for gold in 1849.

All fruit is produced under irrigation. The land is rich in potash and phosphoric acid, but lacking in nitrogen. This fault is corrected by the river water used in irrigation, which is rich not only in nitrogen but also in other fertilizing properties. The cost of an acre of fruit trees averages about \$773 American currency, from which the net profit is 15 to 20 per cent.

The only fruit canned commercially at the present time is the peach, and the heaviest production in any year was 50,000 cases of 2-dozen cans. Most of the cans are 1 kilo (2.2046 pounds), though one canner is putting up peaches in 2.5-pound cans. Another canner put up 17,000 cans of prunes recently as an experiment, and as he sold them all at a handsome profit, the canned dried prune will enter the market soon to compete with the French and California article.

There are five factories in the Province of Mendoza and they employ on the average about 600 men, women, and children. The men receive \$1.06 American currency, the women \$0.425, and the children \$0.30 per day of 10 hours.

All the machinery in these factories comes from one American manufacturer and is satisfactory, though one canner requested the names of other manufacturers of canning machinery. The fruit is picked by hand, and is hand or machine peeled. The machine-peeled fruit is not attractive. None of the fruit is lye peeled. The white peach is preferred in Argentina, and the yellow does not sell so well. All of the product is for home production. The tin cans are made in the factories. The tin is from 26 to 28 Brown & Sharpe gauge, comes in sheets 14 by 28 inches, is of good quality, and is purchased from Great Britain. The only restriction regarding solder is that no acid must be used.

The total cost of a kilo can of peaches is 7 to 8 cents American currency. The flavor of the peaches is excellent, they are medium in size, rather dead in color, and in the cans opened the sirup was a little murky. In appearance the fruit is not so pleasing as the American product. Some of the labels used are fully as attractive as on the American product, and the cans are well and neatly made. The packing cases are $18\frac{1}{2}$ by $14\frac{1}{2}$ by $10\frac{1}{2}$ inches and are made from native poplar one-half inch thick.

In a few years Mendoza will be producing and canning enormous quantities of fruits. Canning machinery of all kinds will be needed, and American machinery is in favor. The canners are also fruit growers and would like to get in touch with some of the California nurserymen. The similarity of climate and the necessity for irrigation in both places being points in favor of the formation of business relations. Correspondence and catalogues should be in Spanish where possible.

NOTES ON THE IMPORT TRADE.

The declared exports of canned vegetables from the United States to Argentina in 1911 amounted to \$3,226 American currency, and in 1912 to \$11,744. This gain is due largely to the efforts of a few importers to push the American product and shows what can be done when the goods have merit and are properly handled. One importer gave sample cans of tomatoes, pork and beans, succotash, and sweet corn, and bottles of tomato ketchup to customers, with the request that they take them home and try them. Small orders came in from these customers, followed by larger ones, and the importer has built up a good trade in a year and a half on lines hitherto unknown. The entire question is to induce the people to try an entirely new product. Very few people in Argentina have ever tasted canned corn, succotash, or pork and beans; tomatoes and tomato paste they know as imported from Italy, but ketchup is practically unknown.

Fresh vegetables are plentiful and reasonable in price, yet over a million dollars' worth of canned vegetables and tomato paste were consumed in 1912. The imported canned vegetables are made up of peas, string beans, and asparagus. American asparagus is well liked and there is a good sale for it. The people prefer a long asparagus and do not care for asparagus tips; the largest and whitest asparagus is the best.

The duty on vegetables is not as high as on fruits; canned vegetables will cost the importer double the price in the United States laid down in his own warehouse. An example covering a shipment of vegetables is given herewith:

100 cases of Mammoth White asparagus, at \$2.40 American currency per dozen cans; case contains 2 dozen cans. Terms, cash New York with order. Shipped by ocean freight San Francisco to Montevideo via Cape Horn, transshipped from Montevideo to Buenos Aires: F. o. b. San Francisco.....	\$480. 00
Freight, San Francisco to Montevideo, 150 cubic feet.....	45. 00
Consular fees, insurance, etc.....	21. 20
2½ per cent commission to New York agent.....	13. 65
2 per cent interest on money invested until arrival.....	11. 20
Expenses and freight, Montevideo to Buenos Aires (Uruguayan currency, \$31.97).....	33. 06
C. i. f. Buenos Aires.....	604. 11
The duty is figured on the net weight of the 100 cases, which is 2,500 kilos, at 12 cents per kilo, Argentine gold.....	\$300. 00
2 per cent loss allowed.....	6. 00
	294. 00
2 per cent additional tax on valuation of \$625.....	13. 50
Warehousing.....	1. 75
Slingage.....	3. 50
Hoisting, at 35 cents per ton.....	1. 05
Statistical tax, \$2 per thousand.....	1. 40
Stamped paper, cartage, etc.....	35. 20
Interest until sold and spoilage.....	78. 60
Converted to American currency, at \$0.965.....	429. 00 =413. 99
Total cost, American currency.....	1, 018. 10

The cost per case was \$10.17, against original cost f. o. b. San Francisco of \$4.80 per case. The freight from New York to Buenos Aires would be from 10 to 15 cents per cubic foot, and the expenses and handling at Montevideo would be avoided; otherwise the cost would be about the same. If the exporter is any great distance from the Atlantic seaboard, railway freight would make the cost the same as by ocean freight from San Francisco.

In pickles, mushrooms, and soups the United States can not be said to compete. A taste has been formed for English pickles, and the American product is rarely seen. The imports of canned soups are not large, and in these the taste is for the French article. Several importers have brought in small orders of American soups, but state that they do not sell among the native population. In addition to the canned mushrooms, large quantities of dried mushrooms are consumed in Argentina, and the United States furnishes less than 1 per cent of the imports of this article.

The trade in canned fruits and canned vegetables, particularly the latter, can be increased; importers in general would like to handle some good line of California fruit or any good line of vegetables.

The hotels and wealthy people buy these articles now, and the purchasing power of the masses is increasing all the time. Even with the heavy freight and duties the prices of vegetables are not prohibitive. French canned peas and string beans retail for 20 to 30 cents American currency per can; asparagus runs all the way from 30 to 65 cents per can, according to origin; and tomatoes range from 20 to 40 cents per can, according to size and origin.

All of the importers complain that they must pay cash in New York in ordering canned goods of all kinds; they think credit should be extended at least until arrival of goods in Argentina. Complaint was also made by several importers that canned goods do not come up to grade of samples submitted.

Under the pure-food regulations in Argentina samples are submitted from time to time by the customhouse to the municipal chemical office in Buenos Aires. The entry or sale of adulterated or altered substances is prohibited. The use of salicylic acid, borax or its salts, or any other preservative not expressly permitted, is prohibited. The use of aniline or other mineral colors to color food products in any form is likewise prohibited. Innocuous vegetable coloring materials may be employed, such as indigo, saffron, or cochineal. The introduction and sale of products sweetened with saccharin or other artificial sweeteners is prohibited unless the containers are clearly labeled to show what materials have been used in their manufacture; this applies to sirups, candies, preserves, and fruit juices, but a later section provides that the employment of saccharin, sucrose, and other artificial sweeteners in the elaboration of solid or liquid food products for public consumption is prohibited. The words "olive oil" can be placed only on containers that contain the said substance without any mixture whatever.

The following table shows the imports of canned goods in 1910, quantities in kilos and values in pesos of \$0.9647 American currency:

Articles.	Kilos.	Value.	Value from United States.	Gain (+) or loss (—) in trade with United States, as compared with 1910.
		<i>Pesos.</i>	<i>Pesos.</i>	<i>Pesos.</i>
Meats.....	188,443	94,221	46,844	+24,592
Caviar.....	9,257	12,034		
Condensed milk.....	351,651	98,463	33	+ 33
Oysters.....	173,593	34,718	32,100	— 8,156
Fish.....	1,476,860	516,902	61,538	+ 1,003
Sardines.....	4,419,592	1,104,898	16	— 382
Olives in oil.....	4,233	1,269	27	+ 27
Olives in brine.....	505,828	101,166	13	+ 13
Fruits in brandy, liquors, natural, or in water.....	255,031	76,509	4,969	+ 1,783
Fruits in juice, sirup, or crystallized.....	147,325	60,213	2,296	—10,622
Capers in glass.....	23,870	4,774		
Pickles in glass.....	224,344	44,869	639	+ 562
Pickles in tin or barrels.....	45,332	6,346	5	+ 5
Mushrooms in tin.....	330,223	115,578	482	+ 482
Tomato paste.....	6,062,100	727,452	892	+ 371
Soups.....	40,742	16,297	201	— 114
Vegetables.....	1,571,076	392,769	2,678	— 238
Olive oil.....	18,725,171	3,363,026	122,649	+87,359
Total.....		6,771,504	275,382	+96,718

BOLIVIA.

The imports of canned and preserved food products in tins amount to half a million dollars annually, and of this the United States does not supply 10 per cent. Bolivia, of necessity, aside from the Indian population, must use large and increasing quantities of canned goods. The vast central plateau is arid and practically no fruits or vegetables can be raised. Cattle for beef are imported, the value of imported live animals in 1911 amounting to more than \$1,400,000.

The Indians live on jerked mutton and frozen or dried potatoes. Of the total population of 2,500,000, probably not more than 10 per cent are purchasers of canned goods. Notwithstanding the fact that fresh beef is imported on the hoof, it is not high in price, varying from 10 to 20 cents per pound. In the cities fresh vegetables, which are brought in from the surrounding country, are also relatively cheap, and canned goods are not a staple article of diet. In the smaller towns on the plateau and at all of the mines, canned goods are a staple article of diet, and as the country develops more and more canned goods will be used.

What freight, landing, and other charges, duties, and additional taxes amount to may be gathered from the following:

Shipment of 10 cases of sardines from Spain, weighing 1,036 pounds:

Freight to Mollendo, Peru.....	\$7. 25
Lighterage.....	. 81
Liftage.....	. 54
Policies.....	. 75
Weighing, etc.....	. 40
Cartage, revision, etc.....	. 65
Repairs to cases.....	. 80
Commission to agent, Mollendo.....	. 80
Stamps, etc.....	. 30
Freight, Mollendo to La Paz.....	14. 68

Liquidation of duties and other charges at La Paz:

25 per cent duty on valuation, at 3½ cents per pound.....	9. 07
Warehousing.....	. 60
Statistical tax.....	. 04
Handling.....	1. 06
Tax for construction of customhouse.....	. 60
Declaration.....	. 88
Customhouse papers.....	2. 48
Commission, customhouse broker, La Paz.....	1. 20
Municipal tax.....	5. 86
Cathedral tax.....	. 22

Total.....	48. 99
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The cost for large shipments would be proportionately a little less for delivery to the same point. For delivery to the far interior towns off the railroad lines the charge per hundredweight runs all the way from \$3.60 to \$22.

Increasing quantities of canned goods are imported from Chile, as proximity and lower freight rates militate in favor of this trade, and keener competition may be expected by other nations as the canning industry develops in Chile.

The United States leads in salmon and oysters; Great Britain in canned meats, preserves, jellies, marmalades, pickles, and sauces. The sardines come from Spain, Portugal, and Italy. Most of the condensed milk is furnished by Switzerland, and large quantities are used, as fresh milk costs 10 to 15 cents per quart in the towns and is of poor

quality. In many of the country districts it is not obtainable at any price. There is a feeling against American condensed milk on account of the market having been flooded with one of the cheapest and least reliable brands. At present one of best American brands is on sale and is making some headway. Canned fruits come mainly from Spain, Italy, and France, though Chile and the United States are obtaining an increased trade in this line. Canned vegetables also come mainly from Spain, Italy, and France. Olives are supplied by Spain, while olive oil comes from Spain and Italy. Practically no cotton-seed oil is imported.

In general there is no feeling against American canned goods, and when used they are well liked, but in most lines the European product can be purchased by the importer for 10 to 15 per cent less than the American product. Then, too, many of the merchants and importers are German, English, Spanish, or Italian, and they naturally push their home products, other factors being equal. American merchants and importers are few and far between.

The following table shows the wholesale prices of canned goods in Bolivia; the retail prices run from 15 to 20 per cent higher:

Articles.	Prices.	Articles.	Prices.
Sardines, Spanish, Portuguese, and Italian.....case.....	\$6.80-\$14.00	Spinach, No. 3 can, American...dozen..	\$8.00
Oysters, American.....do.....	8.80	Tomatoes, No. 3 can, American...do....	6.00
Shrimps, American.....dozen..	2.80	Tomato catsup, medium size, American.....dozen..	6.80
Pink salmon, American.....case..	9.60	Morton's pickles, British.....do....	4.80
Red salmon, American.....do....	20.00	Morton's jams, 1-pound cans, British, dozen.....	4.40
Corned beef, American, 1-pound cans, dozen.....	4.40	Cranberry sauce, 2-pound cans, American.....dozen..	9.60
Brisket beef, American, 1-pound cans, dozen.....	5.60	Peaches, pears, plums, apricots, and cherries, 2½-pound cans, American, California.....dozen..	10.00
Chile con carne, 1-pound cans, American.....dozen..	4.80	Peaches, pears, plums, apricots, and cherries, 2¼-pound cans, Chilean, dozen.....	6.40
Chipped beef in glass, American.do....	6.00	Prunes, tin 25-pound can, American, tin.....	7.00
Beef, ham, and veal loaf, 1-pound cans, American.....dozen..	4.80	Peerless condensed milk, American, case.....	9.20
Pork and beans, 1-pound cans, American.....dozen..	4.00	Mellin's food, American.....dozen..	12.00
Mincemeat, 1-pound cans, American, dozen.....	4.40	Baking powder, American....pound..	1.20
Succotash, 2-pound cans, American, case.....	6.40		

The largest part of the business in Bolivia is done through one or two commission houses, though a small and slowly increasing number of merchants are doing their own importing.

Merchants and importers prefer doing business direct with the manufacturer and exporter, but claim to find difficulty in making satisfactory business connections with American houses. Goods for export to Bolivia must be carefully packed, as most of them are handled six or seven times and under unfavorable conditions. Packing cases should be small, not weighing over 140 pounds, and of such a shape that they may be packed on mules. European houses grant much better terms of credit than American houses, the usual term being six months from date of invoice and in some cases longer. American houses allow 60 to 90 days from the date of the invoice, and some houses still demand cash against documents New York.

The tax on commercial travelers in Bolivia is heavy, whether samples are carried or not, running from \$80 to \$400 in different towns of the Republic. Under such circumstances many merchants purchase

from catalogue. Catalogues and correspondence should be in Spanish, and any advice from the importer as to packing, marking, and route of shipment should be followed.

There is no pure-food law in Bolivia that is national in effect. The municipalities have ordinances, but up to the present time these have not proved very effective.

There are no canning factories in Bolivia and in all probability there will be none for many years to come.

All canned goods suffer from swellage in Bolivia; shipment through the Tropics and then to high altitudes, where the atmospheric pressure is less, is the cause of this trouble.

BRAZIL.

[Vice Consul General Albro L. Burnell, Rio de Janeiro.]

The total imports of canned goods into Brazil, with the imports from principal countries given separately, are shown in the following table for 1911 and 1912; the values are in United States currency:

Articles and principal countries of origin.	1911	1912	Articles and principal countries of origin.	1911	1912
Preserved fruits and fruit extracts:			Preserved meats and meat extracts:		
United States.....	\$30,033	\$33,304	United States.....	\$37,282	\$25,202
France.....	9,105	14,359	Portugal.....	130,917	121,445
Other countries.....	12,338	16,419	Italy.....	59,886	81,846
Total.....	51,481	64,082	France.....	25,803	35,156
			Other countries.....	34,985	44,775
Preserved fish and fish extracts:			Total.....	288,873	308,424
United States.....	146,402	144,028	Condensed milk:		
Portugal.....	749,946	735,928	United States.....	16,700	18,541
Italy.....	99,867	94,868	Switzerland.....	1,137,100	1,286,032
France.....	76,100	75,259	Other countries.....	67,327	91,850
Other countries.....	168,918	217,492	Total.....	1,221,127	1,396,423
Total.....	1,241,233	1,267,575			

The production of canned goods, especially of canned fruits, has been steadily increasing in Brazil during the last few years. Formerly home production was limited almost wholly to the canning of pastes, such as "guayabada," made with sugar and the fruit guava, and "marmelada," a similar product made with the fruit "marmelo" or quince, but at present the canning or preserving of other domestic fruits, as the pineapple and "cajú," is becoming extensive.

Because of the high prices demanded in this market for foreign canned fruits, their consumption is very limited. Imported goods, usually in 2-pound cans, retail for about \$1.17 United States currency per can, and in bottles or glass jars, as cherries and jams, at about \$1.98 United States currency per kilo (2.2046 pounds).

The most popular foreign canned fruits are peaches, pears, apricots, and berries prepared as jams. Canned plums and cherries are but little known here, though dried fruits, principally from Spain and France, are commonly served. Foreign canned fruits are consumed largely by foreign residents and the wealthier Brazilian families. Domestic canned fruits are put up in half-kilo and kilo cans.

Formerly large quantities of salmon were imported into Brazil in 50-pound barrels from the United States, but at present the demand

is largely for English salmon imported in pound and 2-pound tin cans and retailing at \$0.71 United States currency per pound. Large quantities of sardines in cans come from Norway and, to some extent, from France, Spain, and Portugal. German prepared herring in cans and small wooden casks of about 5 to 10 pounds are sold in considerable quantities. Caviar comes from Russia and Germany. Canned lobster in $\frac{1}{4}$ -pound cans, retailing at \$0.58 United States currency, comes from England. Although fresh shrimps are obtainable from local waters, canned shrimps in $\frac{1}{2}$ -pound cans, in cases of 24 cans, are introduced in appreciable quantities from the United States, and retail at \$0.647 United States currency per can. Importations of canned fish from Italy consist mostly of tunny fish put up in small cans and known as "atum."

American corned beef is imported in 2-pound cans in cases of 24 and retails at \$1.13 United States currency per can. Frankfurter sausages in 2-pound cans are imported from Germany. In the southern part of Brazil ox tongues, one tongue to the can, are put up for European consumption.

Jacob & Co.'s cream crackers or biscuits, imported from England, find an extensive sale in Brazil. The 2-pound tins (net weight) sell at retail from \$1.13 to \$1.94 United States currency. American cocoa in $\frac{1}{2}$ -pound and 1-pound cans is very popular. Baking powder in $\frac{1}{2}$ -pound and 1-pound cans comes almost entirely from the United States. English jams in 1-pound cans, retailing at \$0.647 United States currency per can, are on sale in nearly all of the best grocery stores.

Many of the large retail dealers in groceries import their American canned goods from the United States through New York commission houses. There are only a few wholesale dealers in groceries. Exporters to Brazil are advised to quote only prices f. o. b. New York or other port of lading, or c. i. f. Rio de Janeiro or other port of entry, in view of the character of the Brazilian customs tariff and peculiar local conditions affecting customs clearances.

Imported canned goods are subject to Government inspection, which often requires one can of every case. The cost of this inspection is \$6.47 United States currency, which, added to the high rate of duty and retailers' large profits, brings the cost of a can of peaches or pears, for example, to five or six times its cost in the United States. Besides customs duties and inspection, canned goods, whether domestic or foreign, are subject to an internal-revenue tax of \$0.032 United States currency per can of 1 kilo (2.2046 pounds), paid in the case of imported goods at the time of customs clearance and represented by stamps placed by the importer on the cans.

Canned fruits from abroad are packed in wooden cases containing 2 dozen 2-pound cans to the case. Canned salmon usually comes in 1-pound cans in wooden cases of 4 dozen cans. Domestic canned fruits from the southern part of Brazil are put up in 1-kilo cans, 56 cans to the case. In the northern part of the country there are 72 cans to the case.

Importers of canned goods, particularly of canned fruits, are generally given 90 days' credit, and wholesale and retail dealers in domestic canned fruits receive from 40 to 60 days' credit from local canning factories.

[By Consul P. Merrill Griffith, Pernambuco.]

Canned goods, such as asparagus, potted meats, corned beef, tongue, sausages, sardines, preserved fruits, soda biscuits, sweet biscuits, sweet corn, tomatoes, pears, butter, etc., are imported into this city from the following countries in the order given: England, Germany, Portugal, France, and the United States. Approximately 10 per cent of the total amount imported comes from the United States.

The preference is for goods from Portugal; then follows those imported from England, Germany, France, and, lastly, the United States. This preference is not due to any prejudice or marked difference in the quality of the goods, but chiefly to the size of the different foreign colonies, the largest of which is Portuguese and the smallest, the American.

American canned goods are ordered by merchants here almost exclusively through New York commission houses, who allow a credit of 90 days' sight. The owner of one of the oldest wholesale and retail stores in this city states that travelers representing American canned-goods concerns had never visited this city, or at least had never visited his store.

The following are the present prices, in United States currency, of some of the most popular canned goods on this market:

Articles.	Weight of can.	Price.	Articles.	Weight of can.	Price.
Asparagus.....	1 kilo.....	\$1. 33	Pears.....	1 kilo.....	\$0. 80
Beans.....	1 pound.....	.40	Potted meats.....	$\frac{1}{2}$ kilo.....	1. 00
Butter.....	do.....	.86	Sardines.....	1 pound.....	.50
Corned beef.....	1 kilo.....	1. 83	Sausages.....	$\frac{1}{2}$ pound.....	.73
Corned tongue.....	do.....	1. 83	Sweet corn.....	1 pound.....	.50
Jams, jellies, etc.....	$\frac{1}{2}$ kilo.....	.60	Soda biscuits.....	do.....	.66
Milk (condensed).....	do.....	.30	Soda crackers.....	do.....	.66
Peas.....	1 pound.....	.40			

The grocery trade is controlled by Portuguese merchants. There are many large, attractive, and conveniently arranged stores and the consumption of canned goods is considerable. A large quantity of the canned meats and butter is of domestic manufacture and comes chiefly from Rio de Janeiro, but practically all of the remaining proportion of similarly prepared articles, as well as food stuffs, sea food, confections, wines and liquors, etc., is imported from Europe.

I have personally, through the courtesy of the proprietors, inspected the stock of several of the largest stores in Pernambuco and have discovered that the amount of American canned goods in proportion to the amount in stock is quite insignificant. Many stores carry nothing at all; others only a small amount.

These conditions ought to be changed. The greater portion of American canned goods is as attractive and as scientifically and hygienically prepared as any on the market and the quality, too, is a point of decided advantage. It seems as though such goods ought to be imported and sold throughout this country at prices that would enable them to compete successfully with any similar articles on the market, with the possible exception of those of domestic manufacture.

The best way for American manufacturers to extend their trade in this line is to send out representatives who are acquainted with

trade conditions, the customs and tastes of the people, and thoroughly familiar with the Portuguese language. If this be inconvenient, then recourse could be had to catalogues printed in Portuguese and all weights, etc., stated in terms of the metric system.

CHILE.

The imports of canned and preserved food products in 1911 amounted to \$2,570,288, and of this amount the United States supplied \$1,162,575, made up almost entirely of salmon and food oils. Salmon from the United States was valued at \$287,703 and food oils at \$837,741.

The total imports of canned and preserved fruits amounted to \$20,798, most of which came from Great Britain, the United States supplying \$2,380 worth. Canned vegetables totaled \$66,164, supplied mainly by Spain, Germany, Great Britain, and France, the United States furnishing \$2,640; sauces of all kinds, \$15,260, mainly from Great Britain, the United States supplying \$140; malted milk, prepared flours, and the like, \$72,410, supplied mainly by Great Britain, France, and Germany, the United States furnishing \$10,238; olives, \$4,018, most of which came from Spain, the United States supplying \$19. The total of canned meats was \$52,796, most of which came from Great Britain, while the United States supplied \$5,271; preserved milk and other substances \$9,536, mainly supplied by Great Britain, the United States supplying \$124; condensed milk, \$187,308, also supplied mainly by Great Britain, while the United States supplied \$233; canned fish, exclusive of salmon, sardines, and shellfish, \$49,693, supplied by Germany, Great Britain, Italy, and the United States, the last supplying \$8,150; sardines, \$296,485, almost entirely from Spain, the United States supplying \$7,403; lobsters, \$4,614, mainly from Great Britain, while the United States supplied \$531; salmon, \$314,160, almost entirely supplied by the United States. The total imports of food oils were \$1,477,045, of which 56 per cent was supplied by the United States.

In the far south meats, fish, lobsters, and crabs are canned; farther north around Valparaiso, Santiago, Coquimbo, and Aconcagua are the fruit and vegetable canning factories, some of which also make sauces and pickles. Practically all of the fruits and vegetables canned in the United States are also canned in Chile. Marmalades and jams are also made in some of the factories, and there is one condensed-milk factory in successful operation. The output of the factories for 1911 was as follows:

	Meats and fish.	Fruits and vegetables.	Con- densed milk.
Number of factories.....	11	23	1
Capital.....	\$2,882,890	\$3,317,490	\$54,546
Domestic raw material used.....	\$1,072,041	\$321,734	\$108,642
Foreign raw material used.....	\$95,915	\$236,225	\$9,945
Productive capacity of factories.....	\$2,733,888	\$1,392,519	\$200,750
Production in 1911.....	\$1,954,613	\$1,126,818	\$200,750
Men employed.....	452	401	85
Women employed.....	121	1,043	.....
Children employed.....	72	185	.....
Wages.....	\$166,944	\$223,944	\$23,214
Engines or motors, number.....	26	35	4
Horsepower.....	870	385	85

The cans used in different factories and even in the same factories vary greatly in size and shape. They are all round cans and run from 450 grams, which also sells as a pound can, up to 5 pounds. There are kilo cans, half-kilo cans, 1-pound, 2-pound, and 5-pound cans.

Peas and string beans are usually packed in high, slender 1-pound cans or in half-kilo cans and fruits and tomatoes in 2-pound or in kilo cans, though tomato paste is put up also in 5-pound cans. Marmalades and jams are put up in 1-pound or in half-kilo cans the shape of an ordinary condensed-milk can. Lobsters and crabs are packed in flat cans, half-kilo and kilo size. The canned fruits and vegetables are pleasing in appearance and have good flavor. Canners complain that the swellage on canned tomatoes is rather high and the tomatoes are quite acid. Experiments so far made with the canning of apples have not been satisfactory and other varieties of apples are being sought for planting. The labels for cans are fully as attractive as the American.

The tin used comes mainly from Great Britain, though the United States supplied nearly a million pounds in 1911, and recently one importer is offering a good grade of tin from the United States on more advantageous terms than the British article.

The machinery comes from the United States and Germany. Some of the factories are replacing American machinery with German on account of price. The German machinery is from 20 to 25 per cent cheaper and is more simply and more solidly constructed. This is true particularly of can-sealing machines and of pea-canning machinery. One factory is equipped with American machinery manufactured in the East, and yet it was supplied from California. Under such conditions it could not possibly compete in price with the German product. The canning industry is bound to develop in Chile, but American machinery can not hold the market unless the German prices can be met.

American canned goods, aside from salmon, can not compete with the domestic product in price. Fresh meat of good quality sells for 8 to 20 cents per pound, according to cut, fresh vegetables and fruits are plentiful and cheap for 8 months in the year, and ocean fish sell for 20 cents per pound in Santiago, while on the coast they are much cheaper.

Retail prices of canned goods are as follows:

	Price per can.		Price per can.
Singapore pineapples, 2-pound cans..	\$0. 49	French peas, 1-pound cans.....	\$0. 30- .40
Chilean jams and marmalades:		Imported canned beef, 2-pound cans.	.40- .50
1-pound cans.....	\$0. 11- .16	Imported sausages, small can.....	.15- .30
2-pound cans.....	.26- .32	Chilean sausages, small can.....	.07
Orange and plum marmalade, 2-pound cans.....	.45	French herring.....	.41
Chilean strawberries, 2-pound cans..	.24- .32	French sardines, large can.....	.41
Chilean peaches, pears, etc., 2-pound cans.....	.13- .36	French sardines, small can.....	.22
California peaches, pears, etc., 2-pound cans.....	.56	Spanish sardines, large can.....	.29
California white cherries, 2-pound cans.....	.67	Spanish sardines, small can.....	.16
Chilean cherries, 2-pound cans.....	.20- .30	English salmon:	
Chilean asparagus, large can.....	.40- .67	Morton.....	.36
Chilean peas, 1-pound cans.....	.17	Lazenby.....	.33
Chilean peppers, 2-pound cans.....	.24	Norway sardines, small can.....	.15
Chilean tomato sauce, 2-pound cans..	.14	American pink salmon.....	.15- .20
Chilean tomatoes, 2-pound cans.....	.14- .20	Chilean crab, large can.....	.49
Chilean string beans, 2-pound cans..	.15- .20	French crab, large can.....	.76
California asparagus, large can.....	.67	Chilean lobster, large can.....	.62
		American shrimp, small can.....	.25
		English evaporated cream.....	.25
		Italian condensed skimmed milk....	.22
		American condensed milk.....	.25

There is no national pure-food law in Chile. Some of the larger municipalities have ordinances relative to adulteration and coloring agents, but in none of them is there any efficient provision made for systematic inspection and analysis of samples. The penal code of the Republic provides fines and punishment for adulterations, but there is no appropriation providing for inspection or analysis.

COLOMBIA.

The total annual imports of canned goods into Colombia amount to about \$250,000, of which the United States supplies about \$38,000. The United States leads in salmon, canned meats, oysters and shrimp, and canned vegetables. Great Britain leads in canned ham, lobsters, condensed milk, capers, pickles and sauces, jams, marmalades and preserves, malted milk, and olives. Germany leads in caviar and canned butter. France does the largest business in canned fish, asparagus, and canned fruits. Italy leads in mortadela (canned bologna sausage) and olive oil, and Spain has the largest share of the trade in sardines.

Freight rates from New York and European ports are about the same and run from \$6 to \$7 a ton. Freight rates to the interior are very high, running all the way from \$12 to \$60 a ton to main commercial centers. When the rivers are low the movement of freight depends upon the mule. At such times the rates are sometimes lower than by rail and steamer, but the loss in time is considerable. One to two months may be counted as an average for the delivery of freight from the coast, and many times a longer period is needed on account of congestion in the lower river, when transportation is at a standstill owing to low water in the upper river.

While the population of Colombia is about 5,000,000, not more than 8 or 10 per cent of that population can be considered consumers of canned goods, and probably not more than 1 or 2 per cent are consumers to any great extent of such goods. Fresh meat, fruit, and vegetables are abundant and cheap the year round, particularly in the interior, but nevertheless there is a constantly increasing demand for canned goods as the mining regions develop.

There is no doubt that the United States should have a much larger share of the trade in canned goods in certain lines, such as condensed milk, canned fruits, pickles, jams, marmalades, preserves, and canned butter. In condensed milk and canned butter it is more a question of quality than of price; a comparison of European and American brands was distinctly not in favor of the latter product. A shipment of one of the best-known American brands of milk was examined and fully 5 per cent had suffered swellage to such an extent that some of the seams of the cans had given way, allowing the contents to ooze out. The American milk is often unpleasing in color and lumpy, and while this may not detract from the quality it is impossible to convince the consumer of this fact. One of the largest importers in Colombia will order no more American milk, as he has constant difficulty in disposing of it. A European shipment of milk received about the same time as the American shipment was examined, and all the cans were bright and clean, there was practically no swellage, and the contents proved to be fresh and pleasing in appearance.

That California canned fruits are the best in the world is admitted, and yet more French goods are sold in Colombia. This may be

attributed almost entirely to the French custom of packing in glass. The goods cost more than the American article, but are sold through appeal to the eye. A label on a can may be very attractive, but it can never make the same appeal that the fruit itself does.

A taste of many years standing has been formed for British pickles, jams, marmalades, and preserves, and these articles are a little cheaper than the American article.

Canned goods will spoil in Colombia, even in the higher altitudes. After shipment through the Tropics and the consequent release from normal atmospheric pressure swellage can not be avoided, but a careful study of the problem can reduce swellage and spoilage to a minimum. One American house seems to have solved the problem by using an indented double concave can, which the local importers claim is entirely satisfactory.

Canned goods sell at retail for 100 to 150 per cent higher than in the country of origin. The importer wholesales on a margin of not less than 25 per cent, and must give credit of 6 to 9 months. He is granted only 60 to 90 days from date of invoices by American exporters. European exporters grant from 6 months to a year and sell to some importers on open account.

Goods should be packed in strong, strapped cases not weighing over 100 pounds, as they must often be shipped on mule back, and are always handled many times. Goods for Bogota are handled six times between the coast and their destination.

Importers buy direct and through commission houses. Probably the bulk of the business is done through commission houses, as many of the importers claim they can not do business direct in a manner satisfactory to themselves. Traveling representatives should have a good working knowledge of Spanish and some idea of Latin-American character. All correspondence should be in Spanish.

ECUADOR.

The increase in Ecuador's trade in canned goods is slow from year to year, and no great change can be looked for in this line of goods. The prices of canned goods, in comparison with fresh meats, vegetables, and fruits are very high, and while the population totals 1,500,000 not more than 10 per cent may be termed consumers. The Indians form about 80 per cent of the total population. Their daily wage runs from 10 to 30 cents, with an average of not more than 15 cents per day. They live on corn, barley, and potatoes, with little or no meat. Fresh vegetables, fruits, and meats are abundant and reasonable in price the entire year. Outside of the canned goods consumed by foreign residents, hotels, and natives who have traveled the use of such goods is very limited and is regarded more in the light of a luxury than a necessity.

In the future Ecuador should become a producer of canned goods. There is a pineapple-canning factory under construction at present, and no doubt other factories will follow. Manufacturers of canning machinery should keep in touch with Ecuadorian importers to secure this trade for the United States.

The United States should enjoy a larger share of the present trade in canned goods, but one of the main difficulties in obtaining it is the question of credit. American exporters who grant credit in Ecuador

usually allow 60 days after delivery of goods, whereas European houses grant 6 months and often longer. The importer selling in the country must extend credit of 6 to 8 months and yet must meet his own obligations at the end of 60 days. As a matter of fact the time that the importer is out of the use of his money is still longer, as he can not always sell at once.

Importing in Ecuador is mainly done through local agents or commission men for account of the importer. In many cases the business is so small that it would not interest the manufacturer to deal direct with the importer. Ecuador is looking forward to the opening of the Panama Canal with much interest and will derive great benefit from it.

The freight rates on canned meats from New York to Ecuador are 85 cents per 100 pounds or 47 cents per cubic foot; on other canned goods the rate is 67 cents per 100 pounds or 37 cents per cubic foot. The rates from European ports are slightly lower. The freight rates on canned goods from Guayaquil to Quito run from \$1.58 to \$1.98 per 100 pounds. The heavy cost on goods for Quito is in the extra handling and cartage in Guayaquil, as there is no customhouse in Quito.

Wholesale prices of canned goods are shown in the following table:

Articles.	Per dozen.	Articles.	Per dozen.
Asparagus, French or German, 1-lb. cans.....	\$7.00	Mackerel, French, in tin.....1-lb. cans..	\$8.75
Peas, French, small, good quality, 7-oz. cans.....	3.00-3.50	Codfish in tin, German, 7, 25, 50 lb. cans..	^b 18.50
Fruits in juice, Spanish, fair quality, 1-lb. cans.....	4.50	Mortadella, Italian sausage in tin, 3½-oz. cans.....	1.70
Fruits in juice, Chile, medium quality, 1-lb. cans.....	3.50	Worcester sauce, Lea & Perrins, ¼ bottle.....	4.40
Sardines in oil or tomato sauce, medium size can.....	^a 8.50	Rabbit or hare, British, C. & E. Morton, ½-lb. cans.....	6.80
Salmon, U. S. pink.....14-oz. cans..	2.50	Snails in tin, French.....½-lb. cans..	4.90
Oysters U. S.....do.....	2.25	Roast beef, American.....1-lb. cans..	4.40
Lobsters, U. S.....7-oz. cans.....	3.65	Loin of pork with tomato or beans.do....	8.75
Pate de fois gras, French....3½-oz. cans..	4.40	Roast mutton with tomato.½-lb. cans..	6.80
Chicken, roasted, fried, or in tomato, 14-oz cans.....	8.75	Caviar.....3¼-oz. cans.....	4.40
Tunny fish, in oil or tomato sauce, 1-lb. cans.....	10.80	Calamary, sea-sleeve, in its ink, Spanish, 14-oz. cans.....	6.80
		Mussels, Chile.....½-lb. cans.....	4.40
		Sausages in tin.....7-oz. cans.....	6.80

^a Per 100 cans.

^b Per hundredweight.

From 25 to 40 per cent may be added to these prices for Quito and surrounding towns.

The imports of canned goods into Ecuador for 1910 are shown in the table that follows:

Articles and countries of origin.	Value.	Articles and countries of origin.	Value.
Meats:		Butter:	
United States.....	\$24,148	United States.....	\$779
Great Britain.....	3,656	Great Britain.....	348
Germany.....	7,688	Germany.....	4,918
Italy.....	4,302	Italy.....	13,712
France.....	7,081	France.....	194
Spain.....	1,838	Spain.....	19
Belgium.....	431	Total.....	13,970
China.....	1,780		
Chile.....	268	Sardines:	
Panama.....	12	United States.....	1,197
Total.....	51,204	Great Britain.....	787
		Germany.....	12,139

Articles and countries of origin.	Value.	Articles and countries of origin.	Value.
Sardines—Continued.		Canned fruits:	
France.....	\$1,928	United States.....	\$1,532
Spain.....	30,328	Great Britain.....	49
Belgium.....	2,174	Germany.....	206
Total.....	48,553	Italy.....	68
Olive oil:		France.....	419
United States.....	296	Spain.....	641
Great Britain.....	56	China.....	189
Germany.....	793	Chile.....	1,173
Italy.....	22,567	Total.....	4,277
France.....	1,686	Jams and jellies:	
Spain.....	5,371	United States.....	259
Belgium.....	80	Great Britain.....	404
Total.....	30,849	Italy.....	1,412
Cottonseed oil (so declared):		France.....	332
Great Britain.....	97	Spain.....	173
Olives, any container:		China.....	120
United States.....	523	Total.....	2,700
Great Britain.....	323	Tomato sauce:	
Germany.....	115	United States.....	418
Italy.....	695	Great Britain.....	24
France.....	214	Germany.....	29
Spain.....	2,447	Italy.....	163
China.....	95	France.....	28
Chile.....	17	Total.....	662
Peru.....	37	Sauces, not specified:	
Total.....	4,466	United States.....	33
Pickles, any container:		Great Britain.....	938
United States.....	195	Germany.....	29
Great Britain.....	983	France.....	68
Germany.....	41	China.....	337
France.....	259	Total.....	1,405
Spain.....	94	Grand total.....	165,870
Belgium.....	10		
China.....	105		
Total.....	1,687		

PANAMA.

In relation to area and population Panama consumes large quantities of canned goods of all descriptions. The population of the Republic is about 375,000, and the imports of canned and preserved goods of all kinds in 1911 were valued at \$804,210. In 1912 the imports for the first nine months amounted to \$556,292, indicating a considerable falling off as compared with the previous year. These figures do not include the imports of the Canal Commission for use in the Canal Zone, but the falling off above noted is largely due to the reduction of the number of employees working on the canal, who, notwithstanding the commissary privilege, purchased many articles in the cities of Panama and Colon.

Business conditions in general have not been very good for some time, and there has been much discussion of the conditions that will obtain after the canal is opened. If Panama should become a free port it would of necessity become a great distributing center for Pacific ports both north and south that would not be called at by through steamers. A large trade in ship supplies will also be built up.

Imports of canned goods are shown in the following table:

From—	1912.	First 9 months, 1912.	From—	1912.	First 9 months, 1912.
Germany.....	\$114, 195	\$28, 533	Great Britain.....	\$273, 777	\$249, 370
Austria.....		1, 420	Spanish America.....	1, 152	1, 630
Belgium.....	6, 617	3, 674	Italy.....	23, 358	14, 297
China and Japan.....	12, 875	7, 929	Denmark.....	22, 358	23, 566
Spain.....	18, 932	15, 193			
United States.....	297, 946	178, 102	Total.....	804, 210	556, 292
France.....	33, 000	32, 578			

A table giving detailed import statistics for 1911 follows:

Articles and countries of origin.	Values.	Articles and countries of origin.	Values.
Sardines:		Oleomargarin—Continued.	
Germany.....	\$9, 994	Belgium.....	\$218
Belgium.....	1, 570	United States.....	21, 557
Spain.....	5, 565	Great Britain.....	30, 004
United States.....	1, 632		
France.....	1, 086	Total.....	53, 589
Great Britain.....	10, 603		
Total.....	30, 450	Canned fruits and jams:	
Canned meats, all kinds:		Germany.....	32
Germany.....	6, 046	China and Japan.....	1, 677
Belgium.....	2, 012	Spain.....	495
China and Japan.....	10, 000	United States.....	8, 286
Spain.....	11, 150	France.....	833
United States.....	137, 985	Great Britain.....	14, 291
France.....	17, 325	Italy.....	594
Great Britain.....	26, 970	Spanish America.....	11
Italy.....	6, 283		
Spanish America.....	341	Total.....	26, 219
Total.....	218, 112	Canned vegetables:	
Preserved and condensed milk:		China and Japan.....	456
Germany.....	89, 712	Spain.....	19
Belgium.....	2, 477	United States.....	12, 623
United States.....	18, 887	Great Britain.....	3, 287
France.....	266		
Great Britain.....	162, 144	Total.....	16, 385
Italy.....	12, 026	Olive oil:	
Spanish America.....	800	Germany.....	6
Total.....	286, 312	Belgium.....	21
Butter:		Spain.....	1, 703
Germany.....	6, 595	United States.....	83, 779
Belgium.....	319	France.....	13, 125
Denmark.....	22, 358	Great Britain.....	165
United States.....	11, 098	Italy.....	2, 313
France.....	365		
Great Britain.....	21, 722	Total.....	101, 112
Italy.....	1, 668	Sauces:	
Total.....	64, 125	China and Japan.....	742
Oleomargarin:		United States.....	2, 099
Germany.....	1, 810	Great Britain.....	4, 591
		Italy.....	474
		Total.....	7, 906

PARAGUAY.

The annual imports of canned goods into Paraguay amount to about \$150,000 American currency, of which the United States supplies probably 15 to 20 per cent. The trade is growing, though the purchasing class is small. There are no canneries in the country and

therefore no exports. The imports consist of salmon, sardines, herrings, and other fish; peaches, pears, plums, apricots, raisins, currants, and prunes; peas, beans, tomatoes, and asparagus; breakfast foods; biscuits, cake, and plum pudding; condensed and malted milk, and meats.

There is little demand for canned meats, as fresh meat is plentiful. Salmon is imported mainly from the United States and Great Britain, and the sardines and other fish come from France, Spain, and Italy. In all Latin America the people are fond of sardines and other fish preserved in sauces of various kinds in place of olive oil alone. Tomato sauce is a favorite, and another is "escabeche," which is made by adding vinegar, pepper, salt, and spices to the hot oil in which the fish have been cooked.

American canned fruits are considered the best and find a ready sale, but jams and marmalades are largely imported from Great Britain, and some fruit in glass comes from France and Spain and finds a steady limited sale for celebrations and feast days.

The trade in canned fruits could be increased by establishing direct relations between some American exporter of fruits, not a jobber, and some importer in Asuncion who would look out for the trade in Paraguay. Canned fruits should be labeled "In their own juice," preferably in Spanish, as there are two classifications on canned fruit, one being "Fruits in their own juice" and the other "Fruits in sirup." On the former the customs valuation is \$0.25 Argentine gold per kilo (10.9 cents United States currency a pound), with duty of 35 per cent on this valuation, while on fruits in sirup the customs valuation is \$0.50 Argentine gold per kilo (21.9 cents United States currency a pound), with duty of 55 per cent on the valuation. In short, the duty on fruit in its own juice is 3.8 cents United States currency a pound, whereas the duty on fruit in sirup is 12 cents a pound. Spanish canned fruits always specify on the label whether the fruit is preserved in its own juice or in sirup. Invoices should indicate the same.

Peas and beans are imported almost entirely from France, and the importers state frankly, that they consider them superior to the American article. In most cases, however, they are not familiar with American canned vegetables other than asparagus and tomatoes. American asparagus has a very good sale and is well liked, though the public prefers a long asparagus. In the case of one shipment of asparagus tips, which were ordered by the importer without knowing what asparagus tips were, practically the entire shipment is still on the shelves unsold after being in stock six months. Italian tomatoes sell better than American, the consumer feeling that he gets more tomato and less juice with the Italian article. Tomato sauce has a good sale, but tomato catsup is practically unknown.

American breakfast foods in cans have a reputation for spoiling and becoming wormy. The eggs from which the worms hatch must be in the food before it is put into the air-tight cans. Samples of different foods examined in different stores all showed some spoilage of this kind. One importer complained to the manufacturer of a well-known breakfast food, and was told in reply that the goods were made to be sold, not to be kept on the shelf. It should be remembered that on account of the distance from the manufacturer an importer in any line of business in Paraguay must carry several times the stock that a merchant in the United States would.

Biscuits in tin come mainly from France, Great Britain, and Spain, and are nearly all fancy biscuit put up in especially attractive packages and the trade in them is not large. Cake and plum pudding come from Great Britain and the sales are limited to the foreign population.

Condensed milk is supplied by Switzerland and Saxony, though there is some of the American product also on sale. The latter is not considered as good as the Swiss and Saxon milk, as it is said to discolor and become lumpy. There might be some sale for the unsweetened American article if it were known. Malted milk is imported from Switzerland, Germany, Great Britain, and the United States, and the American article is as well liked as any of the others. The annual sales of malted and condensed milk are not large. Canned corn and canned pork and beans are not known among the Paraguayans, as vegetables are plentiful and cheap in and near the larger towns. These fresh vegetables, however, are not of the highest quality, as they receive little or no cultivation.

Some swellage is noted in the stocks of canned goods, mostly in fruits and salmon, but importers state that there is less trouble in this respect with American goods than those from any other source. Paraguay has a very warm climate in summer and canned goods will keep only about a year, when the dealers unload at almost any price.

The trade in canned goods could be increased considerably by sending to Paraguay a personal representative who has been at work in Argentina. The trip can be made up and back in two weeks, including a stay of a week, and at a cost, including all expenses, of \$125 American currency.

PERU.

There are no canning factories in Peru, and while considerable quantities of canned goods are imported, probably not more than 10 per cent of the population of 3,600,000 are consumers of canned goods. The Indian population, which forms the major portion of the total, lives on dried and frozen potatoes, dried beans, maize, and dried mutton.

The imports of canned goods in 1913, exclusive of the port of Iquitos, for which detailed figures were not available, amounted to \$493,235, of which the United States supplied \$125,234. Imports of canned and preserved foods through the port of Iquitos amount annually to about \$350,000, of which the United States furnishes about 25 per cent.

The United States leads in preserved fish, shellfish, and vegetables in oil or water; in canned meats; in canned fruits in water, brandy, sirup, or their own juice; and in canned ham. According to the 1912 statistics, the United States is second only to Great Britain as a source of condensed milk. Italy leads in olive oil, in tin or glass, and other food oils; in sauces, mostly tomato; and in escabeche (fish or game in a vinegar sauce). Great Britain leads in jams, marmalades, sweets, and candies, in extract of beef, and in condensed or preserved milk. Germany leads in butter, and in fish in tin, earthenware, and glass. Portugal leads in olives in vinegar or brine in containers other than barrels and in sardines in tin.

American canned goods are in evidence in all of the groceries and restaurants, and many of the stores feature them, particularly canned

meats, fruits, and vegetables. The window displays are good and very attractive. Sales of canned goods increase steadily from year to year, notwithstanding the abundance of fresh vegetables, fruits, and meat. Peru for many years to come will be essentially a mining country, and the bulk of the canned goods will continue to be sold in the mining and rubber districts.

After paying duties, landing and warehouse charges, freight handling, and delivery, goods cost the importer 50 to 60 per cent over the price f. o. b. in the country of origin. Two concrete cases copied from the original invoices are given herewith. The first is a shipment of canned goods from San Francisco to Callao to Cerro de Pasco, and the costs were as follows:

259 cases, weight 13,814.15 pounds, cost f. o. b. San Francisco.....	\$1, 240. 20
Consular invoices.....	12. 50
Full iron straps, at \$0.05 each.....	12. 95
Freight San Francisco to Callao, 339 cubic feet.....	85. 60
State tolls.....	. 45
	<hr/>
C. i. f. Callao.....	1, 351. 70
	<hr/>
Customhouse duties.....	547. 45
Municipal tax.....	10. 14
Customhouse documents.....	. 88
Steamer landing charge.....	10. 51
Pier landing charge, dues.....	14. 27
Closing and repairing cases.....	7. 56
Loading on cars.....	25. 21
Clearance expense.....	37. 81
Freight to Cerro de Pasco, at \$33.7866 per short ton.....	233. 37
	<hr/>
Total cost at Cerro de Pasco.....	2, 238. 90

The second case is a shipment of canned goods from New York to Callao to Oroya, via Panama, as follows:

138 packages, weight 8,348.9 pounds, cost f. o. b. New York.....	\$724. 82
Freight New York to Callao, via Panama.....	54. 15
Customhouse duties.....	258. 60
Municipal tax.....	4. 79
Warehousing.....	. 51
Inventory dues.....	5. 26
Customhouse documents.....	3. 94
Steamer landing charge.....	6. 42
Pier landing dues.....	8. 39
Closing and repairing cases.....	3. 11
Loading on cars.....	12. 65
Clearance expense.....	18. 98
Freight to Oroya, at \$22.1315 per short ton.....	92. 39
	<hr/>
Total.....	1, 194. 01

There is considerable loss in canned goods from swellage. This is particularly true of canned salmon and canned vegetables and is due to the trip through the Tropics and then to high altitudes where the climate is very cold. In the coast towns there is not so much difficulty from this cause. There is also some loss from theft en route, and it is advisable that all cases should be strapped with full iron straps. Some exporters also use wire with seals and other safety devices to show whether a case has been tampered with or not. Strapping also reduces the number of broken and damaged cases from handling.

There is no national pure-food law in Peru. The larger municipalities have local ordinances on the subject, and in Lima the Insti-

tute of Hygiene is doing good work in analyzing food products and waters. The chemical laboratory of the customhouse in Callao is well equipped, with a competent chemist in charge, and while the analyses made here are primarily to determine the classification for the imposition of duties, yet the Government reserves the right to reject shipments of food products in bad condition. The same ruling applies to food products containing preservatives prejudicial to health. Where consular invoices do not clearly state or specify the purity of olive oil or lard, or where unaccompanied by a pure-food certificate, the rate of duty for other food oils or for compound lard is imposed until analysis can be made. The penalty for false classification is a heavy fine.

Most imports of canned goods are made through manufacturers' agents. Importing by the importer for his own account should be encouraged, and there is a growing sentiment in favor of business on this basis. Importers in general are looking toward much closer business relationship with the United States upon the opening of the Panama Canal, and there is no doubt that Peru will benefit largely under the new conditions. But the United States should grant longer terms of credit, as many times purchases are made in Europe on account of long credit rather than on account of any particular preference for the goods. European producers of canned goods also cater more to local taste in certain lines of canned goods, particularly in jams and marmalades, canned fish and game in sauces, and tomato paste or sauce.

Imports of canned goods by countries for 1910 and imports for 1912, exclusive of the port of Iquitos, and prices for canned goods are given herewith:

Articles and sources.	Values.	Articles and sources.	Values.
Olive oil in tin or glass:		Olives in vinegar or brine, in wood—Con.	
Germany.....	\$791	France.....	\$20
Belgium.....	23	Hongkong.....	813
Chile.....	39	Portugal.....	18
Spain.....	1,999	Total.....	1,091
United States.....	116		
France.....	2,497	Olives in vinegar or brine, other containers:	
Great Britain.....	296	Germany.....	36
Italy.....	28,671	Spain.....	752
Panama.....	4	United States.....	23
China.....	5	France.....	212
Portugal.....	1,501	Great Britain.....	196
Total.....	35,942	Hongkong.....	1
		Italy.....	10
Other food oils:		China.....	24
Germany.....	539	Portugal.....	1,407
Chile.....	3	Total.....	2,661
Spain.....	476		
United States.....	8	Preserved fish, shell fish, and vegetables,	
Great Britain.....	59	in oil or water:	
Hongkong.....	932	Germany.....	6,426
Italy.....	14,778	Belgium.....	375
Total.....	16,795	Chile.....	403
		Spain.....	2,748
Olives in oil or stuffed:		United States.....	59,124
Spain.....	16	France.....	14,052
United States.....	129	Great Britain.....	6,003
France.....	110	Hongkong.....	9,600
Italy.....	16	Italy.....	3,725
Portugal.....	16	Japan.....	1,667
Total.....	287	Panama.....	4
		Bolivia.....	39
Olives in vinegar or brine, in wood:		China.....	185
Spain.....	232	Portugal.....	2,846
United States.....	8	Total.....	107,197

Articles and sources.	Values.	Articles and sources.	Values.
Canned meats:		Extract of beef:	
Germany.....	\$3,067	Germany.....	\$297
Belgium.....	242	Chile.....	8
Chile.....	137	United States.....	51
Spain.....	415	France.....	150
United States.....	40,452	Great Britain.....	305
France.....	12,052	Italy.....	81
Great Britain.....	11,355	Total.....	892
Hongkong.....	3,450		
Italy.....	3,949	Canned ham:	
Panama.....	1	Germany.....	474
Bolivia.....	28	United States.....	1,564
Ecuador.....	1	France.....	7
Uruguay.....	1	Great Britain.....	1,139
Brazil.....	15	Italy.....	211
China.....	211	Total.....	3,395
Portugal.....	4,223		
Total.....	79,599	Condensed or preserved milk:	
Jams, marmalades, sweets, and candies:		Germany.....	47,857
Germany.....	6,255	Belgium.....	14,060
Belgium.....	224	Chile.....	32
Chile.....	94	United States.....	8,897
Spain.....	406	France.....	6,485
United States.....	8,429	Great Britain.....	66,083
France.....	14,137	Hongkong.....	333
Great Britain.....	27,051	Italy.....	3,039
Hongkong.....	422	Uruguay.....	4
Italy.....	11,075	Portugal.....	96
Japan.....	5	Total.....	146,886
Panama.....	24		
Ecuador.....	7	Butter in any container:	
Uruguay.....	15	Germany.....	18,835
Argentina.....	18	Belgium.....	711
Brazil.....	387	Chile.....	234
China.....	1	United States.....	427
Portugal.....	53	France.....	8,010
Total.....	68,603	Great Britain.....	3,546
Pickles, sauces, and escabeche, not in barrels:		Hongkong.....	62
Germany.....	361	Italy.....	10,205
Chile.....	88	Panama.....	20
Spain.....	54	Ecuador.....	3
United States.....	935	Uruguay.....	1,607
France.....	342	Denmark.....	136
Great Britain.....	4,677	Portugal.....	15
Hongkong.....	1,582	Total.....	43,861
Italy.....	21,992		
Panama.....	1	Fish, in tin, earthenware, or glass:	
China.....	16	Germany.....	17,895
Portugal.....	1,118	Chile.....	3
Total.....	31,166	Spain.....	6
Fruits in water, brandy, sirup, or own juice:		United States.....	112
Germany.....	387	France.....	18
Belgium.....	104	Great Britain.....	599
Chile.....	1,885	Hongkong.....	2,589
Spain.....	1,050	Italy.....	552
United States.....	14,237	Japan.....	1,160
France.....	2,430	China.....	36
Great Britain.....	1,210	Portugal.....	93
Hongkong.....	1,292	Total.....	23,063
Italy.....	1,245		
Japan.....	6	Sardines in tin:	
Panama.....	21	Germany.....	18,658
Ecuador.....	1	Belgium.....	10,923
Uruguay.....	23	Chile.....	83
Argentina.....	1	Spain.....	20,306
China.....	27	United States.....	5,833
Portugal.....	99	France.....	3,144
Total.....	24,018	Great Britain.....	8,731
		Italy.....	1,198
		Portugal.....	33,995
		Total.....	102,871
		Grand total.....	688,327

Retail prices of canned goods in Lima are shown in the following table:

	Prices.		Prices.
Spanish fruits in sirup. 1½-pound bottle..	\$0. 97	Sardines..... tin..	\$0. 15- .50
California fruits, best..... 2-pound tin..	.39	Lunch tongues:	
Chilean fruits, not best..... do.....	.29	English, in tin..... pound..	.58
Preserved Spanish cherries, seeded,		American, in tin..... do.....	.49
1-pound tin.....	.58	Tomatoes, American..... 2½-pound tin..	.40
Butter..... do.....	0. 50- .60	Asparagus:	
Condensed milk, American, English,		American..... large tin..	1. 10-1. 20
Swiss..... tin..	.15- .25	German..... do.....	1. 50
Olive oil, in tin..... pound..	.07- .15	Peas, French..... tin..	.20- .50
Olives..... do.....	.07- .11	Canned and corned beef... 1-pound tin..	.40

URUGUAY.

In 1910, the latest year for which statistics are available, the imports of food products of all kinds amounted to \$8,000,000. The total imports of canned and bottled food products for the first six months of 1910 amounted to \$567,309, of which the United States furnished 20 per cent, although more than half of this 20 per cent was made up of cottonseed oil.

Olive oil amounting to \$310,842 was imported and practically all of it came from Italy and Spain. Italy also furnishes a large amount of cottonseed oil, about two-thirds as much as furnished by the United States. Italy furnished 115,960 pounds of tomato paste, valued at \$13,168. Most of the pickles come from Great Britain and of these there were imported 42,300 pounds, valued at \$3,781. The Spanish sardine is favored in Uruguay and the largest part of 218,250 pounds, valued at \$49,546, came from there while most of the olives came from the same country and amounted to 296,000 pounds, valued at \$15,057. Fruits canned in their own juice and fruits in sirup were imported mainly from Italy, France, and Great Britain; of the total of 35,500 pounds, valued at \$5,578, of this amount the United States furnished a negligible quantity. Canned food products, amounting to 160,000 pounds and valued at \$32,300, were imported principally from Spain, France, and Italy in the order named; the United States supplied about 8 per cent. Of canned vegetables, amounting to 33,890 pounds, valued at \$4,521, the United States furnished 10 per cent and the remainder came from Spain, France, and Italy. Condensed and malted milk amounting to 25,800 pounds, valued at \$2,637, was imported; most of the condensed milk came from Great Britain and Germany and the malted milk from Belgium and Germany. The United States furnished 15 to 20 per cent of the condensed and malted milk.

Fresh meat, fruits, and vegetables are plentiful and cheap in the Uruguayan markets. Beef and mutton are staple articles of diet, and the per capita consumption is probably as large as in Great Britain. Fresh meats sell for 9 to 19 cents United States currency a pound; 12 cents is the average. American canned meats can not compete with the fresh article nor with the domestic canned article.

No vegetables are canned locally, though a small amount of fruit is canned when the local crop of fresh fruit exceeds the demand. This is an infant industry, as the latest figures show that the production does not exceed 10,000 cases of fruit per year. The fruit canned in

Uruguay does not compare with the best American products, nor are the containers so attractive. Several brands of American canned fruits are on sale in Uruguay, but the trade is limited to a small class that can afford to purchase luxuries. The duty on fruits canned in their own juices is much lower than on fruits put up in sirup.

Canned corn and canned pork and beans are not known, and it is possible that some trade could be built, but it would require missionary work and demonstration. The canned vegetables consumed are mostly peas, string beans, and asparagus. European peas and beans are preferred, while American asparagus is recognized as superior, though the people like a long asparagus, not less than 9 or 10 inches in length, and preferably put up in glass.

The fruits consumed are usually peaches, pears, and apricots, and some pineapples and cherries are also sold. The canned pineapples come from Brazil and from Singapore; the Porto Rican article should be able to compete, as there are two lines of Spanish steamers that touch ports in Porto Rico on the voyage to Uruguay and other parts of South America. The imported canned peaches, pears, apricots, and cherries purchased from Italy, France, and Great Britain cost the importer a little less than the American article when put up in tin, but retail for about the same price. There is a small and steady sale for French and Spanish fruits in glass; the French particularly put up an attractive glass container filled with mixed fruits. The Europeans also put up oval pound and half-kilo cans of fruit, of which many are sold to people who can not afford to buy the larger cans. The fruit is not so good as the best American product, the tin used is thinner and of poorer quality, and there is more loss from swellage and blowholes in the European article than in the American.

Practically all the sardines come from Spain and France. Other canned fish sell well, but aside from salmon and herring, they are usually varieties that are not canned in the United States. American salmon is well liked, unless it be pink salmon, but the bulk of the salmon comes from Great Britain. Other canned fish and sardines are popular when put down in tomato, mushroom, and other sauces. This taste is not local, but applies to other countries in South America and should be taken into consideration by American fish canners. Some importers claim that the tall can for salmon is preferred, while others are strong advocates of the flat can.

American pickles in glass should compete with the British product more than they do. The importers have purchased for so many years from C. & E. Morton and Crosse & Blackwell that it has become a habit with them.

Following are wholesale prices of some of the canned goods sold:

Articles.	Per dozen.	Articles.	Per dozen.
Asparagus, French.....	\$6.50-\$8.40	Mixed pickles, British.....	\$4.00
String beans, French.....	4.80- 5.50	Oysters, American.....	4.20
Peas, French:	.	Salmon, British.....	4.80
Extra fine.....	5.40	Sardines, French:	
Ordinary.....	3.60	La Reine, large cans.....	5.80
Tomatoes, Spain, small can.....	1.50	Amieux.....	3.90
Catsup, American, pint bottle.....	2.40	Lobsters, British.....	9.00
Tomato paste, Italian, half-pound can.....	1.50	Shrimp, American.....	4.80
Capers, French.....	2.40	Apricots, pears, and peaches, American.....	7.20-8.40
Mushrooms, French, half-kilo jars.....	8.40	Peaches, domestic.....	3.60
Olives, Spanish, best quality, pint bottles.....	4.00	Pineapples, Singapore.....	6.00
		Cherries, Italian, in glass.....	10.50

VENEZUELA.

In canned goods sold in Venezuela, Germany leads in only one article—butter. As Danish butter is in great favor in Venezuela, and as Denmark does not figure in the statistics on imports, a large proportion of the butter may be accredited to Denmark. The United States holds second place in butter, although most of the American butter goes to the cheaper trade, as the quality is inferior and the packing not so attractive.

The United States leads in preserved foods of class three, classification of the customhouse, which includes canned meats and fish of all kinds with or without vegetables, canned sausages, pickles, and canned corn, and in cottonseed oil.

Spain and Germany lead in supplying sardines, the United States furnishing only \$4,427 worth of a total of \$252,982. The Spanish sardine is of good quality and reasonable in price, while it is said of the American sardine that its only recommendation is the price. Olive oil is imported chiefly from Spain and Italy. Information received indicates that Venezuela will make an effort to obtain olive oil direct from California after the opening of the Panama Canal.

France leads in preserved foods of class four, in which are included asparagus, canned fruits, canned mushrooms, and canned vegetables, although the total imported amounted to only \$4,548. The imports under this heading consist largely of fancy fruits in glass, peas in glass, string beans in glass, and assorted vegetables in glass. The French article is extremely attractive, and the fact that some of the fruits and vegetables are artificially colored and flavored does not affect their sale, as there is no pure-food law in force in Venezuela.

Great Britain supplies more sauces and pickles than all other countries combined and also leads in jams and jellies. Condensed milk also comes mainly from Great Britain; the cheaper grades of American condensed milk can compete in price, but do not keep well in the tropical climate. The American unsweetened milk keeps better, but outside of the Maracaibo district its introduction in competition with the sweetened milk, for which a taste has been formed, has not been successful to any extent. The best grades of American condensed milk keep well and are richer in fat than the European brands, but the price is prohibitive in competition with the European article.

The Maracaibo district is so distinct from the rest of Venezuela, through its isolation, and is so rapidly growing in importance that it merits special attention. The exports in 1912 amounted to \$8,544,188 or over one-third of the total for the entire Republic, while the imports amounted to \$4,536,267. The exports to the United States amounted to \$6,111,969, or almost 75 per cent of the total, while the imports from the United States amounted to \$1,819,438.

Enormous deposits of petroleum have been discovered that are to be developed at once under favorable concessions, and this development will of necessity force in turn the development of the harbor at Maracaibo, which is shallow and obstructed by a bar at the entrance that does not permit the entry of vessels drawing over 11 feet of water. The opening of the harbor will rapidly make of Maracaibo the largest and most important city in Venezuela.

At the present time, outside of the Venezuelan coastwise steamers, there is only one line of steamers entering Maracaibo and it has three small boats to handle the trade. This line is American. Freight for Maracaibo coming in other steamers is all transshipped at Curacao by steamers of the American line above mentioned or by schooners plying between Curacao and Maracaibo.

Maracaibo not only supplies three States in western Venezuela but also two rich districts of eastern Colombia, Cucuta, and Santander. Very few American traveling representatives work either western Venezuela or eastern Colombia, which is a great mistake.

Fully two-thirds of the canned goods imported through Maracaibo comes from the United States and consists of meats, vegetables, and fruits; even a trade in canned corn is being developed, an article that is not yet popular in South America. Most of the olives come from Spain, though some of the fancy varieties from the United States are growing in favor with the people who can afford to buy them. Sardines come mainly from Spain. The poorer classes are buying increasing quantities of American sardines, as the price places them in reach of this class and some of the importers are pushing them. Condensed milk comes mainly from Great Britain at present, though formerly most of it was imported from the United States. This trade was lost through the introduction from other sources of cheaper brands that would keep in the Tropics. A small trade has been built up in unsweetened milk and the importers introducing it are working hard to gain a foothold. It keeps well and is satisfactory in every way and more missionary work should be done along this line. Pickles come mainly from France; an attractive 4-ounce bottle of mixed pickles retails for 10 to 12 cents and is popular with a class of people that can not afford to buy the larger English and American bottles. Moreover, the bottle gives the impression that it is larger than it really is; it is of dark green but clear glass, quite thick, about 6 inches in length, wide mouthed, and tapers to the bottom. French fruits in small packages, both tin and glass, are popular because they reach a poorer class of people than the large packages. The cost of goods laid down in importers' warehouses is from 100 to 200 per cent over the cost f. o. b. New York or European ports; freight rates are slightly in favor of shipments from the United States. Importers generally enjoy four months' credit from the date of invoices on imports from the United States and from six to eight months on imports from Europe. Some of the importers prefer to take advantage of cash discounts and prefer direct importation where possible. Importers wholesale on a credit limit of four months and collections are reported good. No complaint as to American packing was heard, and relations with American exporters generally were reported satisfactory. The only complaint received was that American representatives often skip Maracaibo.

Freight rates from the coast to the interior are also high. The harbor railroad at La Guaira charges \$0.175 per hundredweight to carry freight from steamers to the customhouse, a distance of about half a mile. The freight from La Guaira to Caracas on canned goods is \$0.35 per hundredweight. In short, the freight from steamer to Caracas is \$10.50 per ton with double handling for a distance of 50 miles. The freight rates from Puerto Cabello to Valencia are \$0.30

per hundredweight. Practically no freight goes from Puerto Cabello to Caracas, as the freight rate is prohibitive.

Outside of Maracaibo credits run from 60 days to 4 months for imports from the United States, while 6 months is the usual term allowed by European houses. Importers selling to local and country merchants are compelled to extend 6, 8, and 10 months' credit. Collections are fair, but slow, and additional extension of time is frequent.

Importation is both direct and through commission houses, although importers prefer to import direct where feasible. Small orders through four or five different exporters are purchased with less difficulty through commission houses.

The business in canned goods in Venezuela is confined to a small percentage of the total population of 2,500,000. Probably not more than 10 per cent can be termed consumers of canned goods, though the peon class is disposed to buy any articles that limited purses can afford. Probably not more than 1 or 2 per cent are habitual consumers of canned goods of all kinds. Fresh meat and vegetables are abundant and cheap, and fruit is reasonable, but milk is high in price, retailing for 10 to 12 cents per quart in most places.

American canned fruits retail for from 50 to 70 cents per 2½-pound can. Importers in Venezuela are waiting for the opening of the Panama Canal with keen interest, as they feel that a direct trade in canned goods from the Pacific coast can be developed. Importers in general are anxious to extend their relations with American houses. All correspondence should be in Spanish.

A table of imports by countries for 1912 follows:

Articles and countries of origin.	Values.	Articles and countries of origin.	Values.
Sardines:		Butter—Continued.	
Germany.....	\$81,876	Great Britain.....	\$4,332
Belgium.....	25,424	Italy.....	1,000
Spain.....	82,854		
United States.....	4,427	Total.....	411,315
France.....	11,233		
Netherlands.....	38,743	Vinegar:	
Great Britain.....	8,241	Germany.....	611
Italy.....	184	Spain.....	66
Total.....	252,982	United States.....	20
		France.....	348
Preserved foods (Class III):		Netherlands.....	1,318
Germany.....	20,023	Great Britain.....	215
Spain.....	4,044	Total.....	2,578
United States.....	95,065		
France.....	15,284	Prepared foods and sauces (Class IV):	
Netherlands.....	10,090	Germany.....	9,045
Great Britain.....	16,332	Belgium.....	3,474
Italy.....	17,232	Spain.....	619
Total.....	178,070	United States.....	5,634
		France.....	10,139
Preserved foods (Class IV):		Netherlands.....	1,375
Germany.....	395	Great Britain.....	15,143
Spain.....	97	Italy.....	1,745
United States.....	863	Total.....	47,174
France.....	1,666		
Netherlands.....	128	Olive oil:	
Great Britain.....	755	Germany.....	2,800
Italy.....	644	Austria-Hungary.....	7,316
Total.....	4,548	Belgium.....	1,805
		Spain.....	109,307
Butter:		United States.....	729
Germany.....	167,876	France.....	9,751
Spain.....	1	Netherlands.....	5,382
United States.....	156,909	Great Britain.....	4,054
France.....	47,445	Italy.....	62,502
Netherlands.....	33,752	Total.....	203,646

Articles and countries of origin.	Value.	Articles and countries of origin.	Value.
Olives and capers:		Cottonseed oil:	
Germany.....	\$918	Germany.....	\$33
Spain.....	13,337	United States.....	1,614
United States.....	840	Total.....	1,647
France.....	5,072	Grand total.....	1,124,801
Netherlands.....	887		
Great Britain.....	1,379		
Italy.....	408		
Total.....	22,841		



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